

Federal Communications Commission Washington, D.C. 20554

September 5, 2014

Charles Perry Ministries, Inc. Attn: Chante Green 7620 FM 521 Rosharon, TX 77583

Re:

Case Identifier: CGB-CC-1344

CG Docket No. 06-181

Petition for Closed Captioning Exemption Request for Supplemental Information

Dear Ms. Green:

This letter concerns your Petition for exemption from the Federal Communications Commission's (FCC's) closed captioning requirements. After reviewing your Petition, the Consumer and Governmental Affairs Bureau (Bureau) has determined that additional information, as set forth below, is required to enable us to determine whether the programming that is the subject of your Petition should be exempted from the FCC's closed captioning requirements because captioning such programming would be economically burdensome to your organization.

Specifically, your Petition included information about the impact of captioning on your operation and program, your attempts to seek closed captioning assistance from your video program distributor and additional sponsorship sources, and your overall type of operations. We conclude, however, that because your Petition is missing required information, we cannot take further action on it.

If you wish for your Petition to receive further consideration for a closed captioning exemption, you must supplement your Petition by providing us with the information described below by October 6, 2014, which is 30 days from the date of this letter:

- The nature and cost of the closed captions for the programming. Provide information about your
 organization's costs associated with closed captioning each specific program for which you are
 requesting an exemption, and your efforts to find companies that can provide captioning at a
 reasonable cost.
 - Include documentation for two or more recent quotes you received from closed captioning services to provide closed captioning specifically for your program(s).
 "Recent" means a quote you obtained within one year of the date of your petition.

You provided two quotes you received to provide closed captioning for your program, one from Lovell Banks Productions and one from Big Sky Media. The quote from Big Sky Media is dated November 6, 2013, and was obtained within one year of the date of your petition. Accordingly, the quote from Big Sky Media satisfies this requirement. However, the quote from Lovell Banks Productions is not dated. As a result, it does not satisfy this requirement because we cannot determine if it was obtained within one year of the date of your petition. Accordingly, you must provide one additional recent, dated quote you received from closed captioning services to provide closed captioning specifically for your program.

 For each of these quotes, include an estimate of your annual cost to caption your program(s). For example, multiply the cost to caption each of your program episodes by the number of program episodes you expect to produce and show in one year.

You provided an estimate of your annual cost to caption your programs based on the quotes received from Big Sky Media and Lovell Banks Productions. However, because the quote from Lovell Banks Productions is undated and does not satisfy our requirement, you must include an estimate of your annual cost to caption your program based on the new, dated closed captioning quote you provide.

Your financial resources.

- o Provide information about all income and all expenses for your organization, as follows:
 - Provide a statement of all income (cash receipts) and all expenses for each of the two most recent completed calendar or fiscal years. Cash receipts include money received from all sources for your entire organization, not just the video program(s). Cash expenses include money paid for purchases, expenses, and settlement of obligations throughout the year for your entire organization, not just the video program(s). List, describe, and provide the dollar amount for each type of cash receipt (such as sales, donations, grants, earnings, revenues, dividends, or interest) and for each type of cash expense (such as wages, fees, supplies, rent, mortgage interest, depreciation, or taxes) for the two most recent completed calendar or fiscal years. Cash receipts and cash expenses must each be subtotaled. You must provide a total net dollar amount (sometimes called a surplus or deficit, or profit or loss) for all cash receipts and all cash expenses for each year. Note: In order to meet the requirement of this paragraph, you must provide this information in a stand-alone statement that explicitly lists this information. The submission of documents (such as tax returns, bank statements, or invoices) that may contain some of this information, but which does not explicitly list this information will not satisfy this requirement.

You submitted an accountant's compilation for the months of January 2014 through March 2014 and bank statements for the months of January 2013 through March 2014. This information does not satisfy this requirement. You must provide a statement of all income (cash receipts) and all expenses for each of the two most recent completed calendar years (i.e., 2013 and 2012) or fiscal years. You must list, describe, and provide the dollar amount for each type of cash receipt and for each type of cash expense for the two most recent completed calendar or fiscal years. You must subtotal cash receipts and cash expenses. You must provide a total net dollar amount (sometimes called a surplus or deficit, or profit or loss) for all cash receipts and all cash expenses for each year. Please note that the submission of documents (such as tax returns, bank statements, or invoices) that may contain some of this information, but which does not explicitly list this information will not satisfy this requirement.

Provide audited financial statements or an accountant's review or compilation of financial statements for the two most recent completed calendar or fiscal years. If such statements have not been prepared by or for you or your organization, provide complete federal income tax returns or tax-exempt information returns, including all schedules and attachments, for your organization for the two most recent completed calendar or fiscal years, if such returns were filed. If your organization is a sole proprietorship, provide complete personal federal tax returns, including all schedules and attachments, for the two most recent completed calendar or fiscal years for the sole proprietor. If your organization is a Subchapter S corporation, limited liability company (LLC), professional corporation (PC), or partnership, in addition to the organization's tax returns, provide the complete personal federal tax returns, including all schedules and attachments, for the two most recent completed calendar or fiscal years for the shareholders or partners. Redact (black out) sensitive information, such as account numbers and social security numbers, before submitting personal tax returns or other documentation. If none of these documents have been prepared by or for you or your organization, you must provide a written statement to that effect.

You submitted an accountant's compilation for the months of January 2014 through March 2014 and stated that "[s]ince the Ministry recently opened its bank account and started producing financials, there are only detailed financial documents for January and February 2014." This does not satisfy this requirement. You must provide audited financial statements or an accountant's review or compilation of financial statements for the two most recent completed calendar years (i.e., 2013 and 2012) or fiscal years. If such statements have not been prepared by or for you or your organization, you must provide complete federal income tax returns or tax-exempt information returns, including all schedules and attachments, for your organization for the two most recent completed calendar or fiscal years, if such returns were filed. If none of these documents (audited financial statements or an accountant's review or compilation of financial statements or federal income tax returns or taxexempt information returns) have been prepared by or for you or your organization for the two most recent completed calendar or fiscal years, you must provide a written statement to that effect.

- Provide information about the current assets and current liabilities of your overall organization, as follows:
 - Provide a statement of all current assets and current liabilities of the overall organization as of the last day of the two most recent completed calendar or fiscal years. Current assets and current liabilities must each be totaled. List, describe, and provide the dollar amount for each type of current asset and current liability so listed. This requirement may be satisfied by providing complete balance sheets that identify current assets and current liabilities as of the last days of the two most recent completed calendar or fiscal years. If you have no current assets or no current liabilities, provide a statement to that effect.

You submitted an accountant's compilation for the months of January 2014 through March 2014 that listed your current assets as of March 31, 2014. This does not satisfy this requirement. You must provide an accurate and complete statement of all current assets and current liabilities of the overall organization as of the last day of the two most recent completed calendar years (i.e., as of December 31, 2013 and December 31, 2012) or fiscal years. If you do not have a proper record of these balances, you must make a reasonable effort to obtain

this information. If you had no current assets or no current liabilities as of the last day of the two most recent completed calendar or fiscal years, provide a statement to that effect.

- Current assets are any asset (or resource) as of the last day of the calendar or fiscal year that can be converted into cash within the following year.
 - Examples of current assets for an individual or sole proprietor: cash;
 checking accounts; savings accounts; investment accounts including money
 market accounts; certificates of deposit and bonds that will mature within one
 year; stocks; and trust/endowment account amounts available for that year.
 - Examples of current assets for a corporation: cash; accounts receivable; inventory; marketable securities; and prepaid expenses.
- Current liabilities are obligations (or debts) as of the last day of the calendar or fiscal year that must be paid within the following year.
 - Examples of current liabilities for an individual or sole proprietor: any loans (principal and interest) and mortgage payments (principal, interest, taxes, and insurance) due to be paid within one year; the balance of any credit cards as of the last day of the year; and unpaid bills as of the last day of the year (utility bills, and medical bills).
 - Examples of current liabilities for a corporation: accounts payable; accrued liabilities; notes payable; current portion of long-term debt; and taxes payable.
- Affidavit or declaration. Your submission must contain a detailed, full showing, supported by a signed and sworn affidavit or signed declaration made under penalty of perjury attesting to the truthfulness and accuracy of the information and representations contained in your submission. An affidavit is a written statement made under oath, before an official who is authorized to administer oaths, such as a notary public or county clerk. A declaration is a written statement made under penalty of perjury, such as "I declare under penalty of perjury that the information contained in this submission is true and correct." (See 47 C.F.R. § 1.16.) The affidavit or declaration must be dated.

In addition to providing the information specified above, we also request that you clarify the relationship between Charles Perry Ministries, Inc., the program, *Restoring Lives*, and the Word of Restoration Christian Fellowship (WORCF). Under the Commission's rules, we must consider the overall financial resources of an entity that petitions for an exemption in determining the merits of the exemption request. We need to understand whether *Restoring Lives* is a program or activity of WORCF or is otherwise receiving support from WORCF. Our inquiry in this regard stems from the following information:

- worcf.org states that WORCF launched Restoring Lives in 2011;
- The closed captioning quotes you provided are addressed to WORCF;
- The "sponsor rejection letters" you submitted were addressed to you (Chante Green) at WORCF and to you at the "Media Department" of WORCF;
- The mailing address for Charles Perry Ministries, Inc., is the same as the mailing address for WORCF;

¹ Anglers for Christ Ministries, Inc., et al.; Amendment of Section 79.1(f) of the Commission's Rules; Video Programming Accessibility, Memorandum Opinion and Order, Order, and Notice of Proposed Rulemaking, 26 FCC Rcd 14941, 14950, ¶ 17 (2011).

- You (Chante Green) submitted your Petition as the "Media Director of Charles Perry Ministries, Inc," but you also are identified as multimedia staff at WORCF with an e-mail address at worcf.org; and
- Your organization is named Charles Perry Ministries, Inc., and Charles Everett Perry is also listed as multimedia staff at WORCF.

In light of the above, we request that you clarify the relationship between Charles Perry Ministries and WORCF with respect to the program *Restoring Lives* for the past two years, 2013 and 2012. How much of Charles Perry Ministries' income, contributions, or revenue is or will be received from or through WORCF to support the production and broadcast of *Restoring Lives*?

Finally, in determining the merits of your Petition, it would help us to know the length of time that the Charles Perry Ministries has been in existence. This is relevant because you state that Charles Perry Ministries "recently opened its bank account and started producing financials," and has "detailed financial documents" only "for January and February 2014." As noted above, publicly available information suggests that *Restoring Lives* has aired on KUBE-TV or elsewhere on television beginning in 2011. In order to reconcile these inconsistencies, we ask that you clarify when Charles Perry Ministries was established and how long *Restoring Lives* has been produced by the Charles Perry Ministries.

You may also provide other information that you deem relevant to our determination of your exemption request pertaining to the impact that captioning will have on your program or programming activities and any available alternatives that might constitute a reasonable substitute for the closed captioning requirements including, but not limited to, text or graphic display of the content of the audio portion of the programming.

Because of the public nature of FCC proceedings, your submission, as well as any supporting financial or other information provided, will be available for inspection by the general public. If your submission contains some specific information that you would like not to be made routinely available for public inspection, you may request its "confidential treatment, pursuant to FCC rules. (See 47 C.F.R. § 0.459.) If you seek such treatment, you must identify the specific information which you would not like to be made available to the general public and provide the basis for your request, for example, that the information is proprietary financial information, contains a trade secret, or is legally privileged. Also describe how disclosing the information to the general public may cause you substantial competitive harm. You must also submit a second version of your submission with the confidential information redacted (removed or blacked out). This second version must be submitted along with your request for confidential treatment. The redacted version (i.e., the version that does not contain the confidential information) will be disclosed publicly. If your request for confidential treatment is granted, the "public version" of your submission must still contain sufficient documentation to support your claim that closed captioning would be economically burdensome. This documentation is needed so that members of the public have notice of the basis for your exemption request and can comment on its merits.

If the Bureau determines that your Petition, as supplemented by your response to this letter, provides sufficient information upon which to make a determination of whether or not to grant a closed captioning exemption, we will place your Petition on public notice under Docket No. 06-181 at http://fjallfoss.fcc.gov/ecfs. Members of the public will then have 30 days to file comments on and/or

² In addition, according to your Petition, *Restoring Lives* has aired on KUBE-TV at 5:30 a.m. for some period of time "[t]o avoid the added expense and economic burden of the FCC's closed captioning rules," presumably because it is considered "late night programming" that is exempt from the closed captioning requirements. Because the program schedule is being changed (or has recently been changed) to air at 6:00 a.m., it will no longer qualify for the late-night programming exemption.

oppositions to your Petition, including the supplemental information you have provided in response to this letter, after which you will have 20 days to respond. At the end of this timeframe, the Bureau will review your Petition, along with any comments and responses received, to determine whether you have demonstrated that providing closed captions would be economically burdensome. If Bureau denies your Petition, you will have 90 days from the date of your notification of the denial to begin captioning.

If you do not supplement your Petition with all of the updated information and documentation requested in this letter within 30 days of the date of this letter, we will conclude that you have failed to support your exemption request with adequate explanation and evidence, and will dismiss your Petition. In the event of such dismissal, your organization will be required to begin providing closed captioning for your program(s) within 90 days of the date of our notification to you that your Petition has been dismissed.

If you have questions pertaining to this letter or the information and materials requested herein, please contact the FCC's Disability Rights Office at captioningexemption@fcc.gov.

Caitlin Vogus

Attorney, Disability Rights Office

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Consumer and Governmental Affairs Bureau

Instructions for Filing a Supplement to a Closed Captioning Exemption Petition

As of April 30, 2014, you must send the FCC your supplemental information by e-mail to captioningexemption@fcc.gov. Petitions and supplemental materials may not be filed directly on the FCC's Electronic Comment Filing System (ECFS) or by U.S. mail. At this time, the FCC's e-mail system does not accept attachments in the form of .ZIP files or file sizes larger than 13.3 megabytes. If a petitioner has concerns that its file size will exceed this limitation, please contact captioningexemption@fcc.gov. Because the FCC will upload petitions and any supporting information and documentation to ECFS, petitioners must follow the ECFS document format guidelines (http://apps.fcc.gov/ecfs/userManual/upload/documents.jsp)) when sending petitions, supporting information, and documentation via e-mail. For more information about this electronic filing procedure, visit http://www.fcc.gov/encyclopedia/economically-burdensome-exemption-closed-captioning-requirements.

You must include your case identifier number, which is located at the top of this letter, and CG Docket Number 06-181 in all correspondence with the FCC regarding your petition.

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